

## FORM OF CONVERTIBLE SUBORDINATED PROMISSORY NOTE

THE SECURITIES REPRESENTED BY AND UNDERLYING THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR REGISTERED OR QUALIFIED UNDER ANY APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, TRANSFERRED OR OTHERWISE CONVEYED EXCEPT IN COMPLIANCE WITH THE ACT AND ALL APPLICABLE STATE SECURITIES LAWS.

THE SALE, PLEDGE, HYPOTHECATION, TRANSFER OR OTHER CONVEYANCE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AND RESTRICTED BY THE TERMS AND CONDITIONS OF A LIMITED LIABILITY COMPANY AGREEMENT BY AND AMONG THE COMPANY AND THE HOLDERS OF SUCH SECURITIES. A COPY OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY.

### INTELLIVISION HOLDINGS, LLC

#### CONVERTIBLE SUBORDINATED PROMISSORY NOTE

No. 00  
\$00,000

Irvine, California  
January 0<sup>h</sup>, 2020

FOR VALUE RECEIVED, Intellivision Holdings LLC, a California limited liability company (the “Company”), hereby promises to pay to the order of **Name** or registered assigns (“Holder”), the principal amount of **Amount** (\$00,000), together with interest thereon at the rate of five percent (5%) per annum (this “Note”), on or before January 0<sup>th</sup>, 2022 [*36 months from the initial closing*] (the “Maturity Date”), subject to the terms and conditions set forth hereinbelow. This Note has been issued pursuant to, and is entitled to the benefits of, that certain Subscription Agreement to which the Company and Holder are parties (the “Agreement”). Capitalized terms not defined herein have the meaning assigned to them in the Agreement.

This is one of a series of Convertible Subordinated Promissory Notes (collectively referred to herein as the “Notes”), all of like tenor, except as to the identifying number, principal amount and holder thereof.

1. Subordination.

(a) Subordination to Senior Indebtedness. The indebtedness evidenced by this Note, and the payment of the principal hereof and interest hereon, is wholly subordinated, junior and subject in right of payment, to the extent and in the manner hereinafter provided, to the prior payment of all Senior Indebtedness of the Company now outstanding or hereinafter incurred. “Senior Indebtedness” means the principal of, and premium, if any, and interest on (i) all indebtedness of the Company for monies

borrowed from banks, trust companies, insurance companies and other financial institutions, including commercial paper and accounts receivable sold or assigned by the Company to such institutions, (ii) all indebtedness of the Company for monies borrowed by the Company from other persons or entities, (iii) obligations of the Company as lessee under leases of real or personal property, (iv) principal of, and premium, if any, and interest on any indebtedness or obligations of others of the kinds described above assumed or guaranteed in any manner by the Company, (v) deferrals, renewals, extensions and refundings of any such indebtedness or obligations described above, and (vi) any other indebtedness of the Company which the Company and the holders of more than 50% of the unpaid principal amount of the Notes then outstanding may hereafter from time to time expressly and specifically agree in writing shall constitute Senior Indebtedness. Notwithstanding the foregoing, "Senior Indebtedness" shall not include indebtedness of the Company evidenced by the other Notes, which shall rank equally and ratably with this Note.

(b) Rights of Holders Unimpaired. The provisions of this Section 1 are, and are intended solely, for the purposes of defining the relative rights of the holders of the Notes and the holders of Senior Indebtedness and nothing in this Section 1 shall impair, as between the Company and any holders of the Notes, the obligation of the Company, which is unconditional and absolute, to pay to the holders of the Notes the principal thereof, in accordance with the terms of the Notes, nor shall anything herein prevent any holders of the Notes from exercising all remedies otherwise permitted by applicable law or hereunder upon default, subject to the rights set forth above of holders of Senior Indebtedness to receive cash, property or securities otherwise payable or deliverable to the holders of the Notes.

2. Maturity Date. The principal amount of this Note, together with accrued and unpaid interest, shall be due and payable in full on January 0<sup>th</sup>, 2022, or if day is not a business day, then on the first business day thereafter (the "Maturity Date").

3. Conversion and Repayment of the Notes.

(a) Consummation of the Next Financing Prior to the Maturity Date. If, prior to the Maturity Date, the Company undertakes to complete a private placement of its authorized and unissued Class A Units ("Class A Units") for an aggregate purchase price (excluding the aggregate principal amount of all Notes and all accrued and unpaid interest thereon converted in such sale) of at least six million dollars (\$6,000,000) (the "Next Financing"), then upon the consummation of the Next Financing, the principal amount of each Note and accrued and unpaid interest thereon, shall, concurrently with the consummation of such Next Financing, automatically be converted, without any further action on the part of the Holder holding such Note, into such whole number of Class A Units as shall equal the outstanding principal amount of each Note together with accrued and unpaid interest thereon divided by the lower of (i) the amount equal to 80% of the price per unit for the Next Financing or (ii) the quotient obtained by dividing \$37,000,000 by the total number of Class A Units, Class B Units and Incentive Units (as such terms are defined in the Company's Amended and Restated Limited Liability Company Agreement, as amended (the "Operating Agreement")) outstanding immediately prior to the consummation of the Next Financing (with the results of such calculation being rounded up to the next largest whole number).

(b) Sale of the Company prior to the Maturity Date. If at any time prior to the earlier of (i) the Maturity Date and (ii) the closing date of the Next Financing, there shall be a merger, acquisition or consolidation of the Company with or into another corporation or a sale of all or substantially all of the Company's assets or membership interests, then, as a part of such merger, acquisition, consolidation or sale, the then outstanding principal amount of each Note, and all accrued and unpaid interest thereon, shall be repaid in full at or prior to the consummation of such merger, acquisition, consolidation or sale.

(c) Failure to Consummate the Next Financing Prior to the Maturity Date or Event of Default.

(1) Holder Election to Repay or Convert. If the Next Financing is not consummated prior to the Maturity Date or upon the occurrence of an Event of Default (as defined in Section 3(c)(4)), then, at the election of Holder, the Company (i) shall pay to Holder the outstanding principal amount of the Notes, together with all accrued and unpaid interest thereon, or (ii) convert the outstanding principal amount of the Notes and all accrued and unpaid interest thereon into membership interests in the Company in the form of the Company's Class A Units at a conversion rate equal to the quotient obtained by dividing \$37,000,000 by the total number of Class A Units, Class B Units and Incentive Units outstanding on the Maturity Date.

In the event holder elects to declare outstanding Notes due and payable, then the Company shall pay the outstanding principal amount of, and all accrued and unpaid interest on, each Note by mailing a corporate check in such amount to each Holder at such Holder's address of record as contained herein or on file with the Company pursuant to notice given as provided herein no later than ten (10) business days after the Maturity Date.

(2) Election to Convert. In the event Holder elects to convert the Notes into Class A Units ("Conversion Units"), Holder shall deliver to the Company (i) a conversion notice in the form attached hereto as Annex 1 (a "Conversion Notice"), (ii) this Note and (iii) a joinder to the Company's Amended and Restated Limited Liability Company Agreement, as amended (the "Operating Agreement"), to which Investor hereby agrees to become party, in the form attached hereto as Annex 2. An election to convert all or any part of this Note shall be deemed effective, and Holder shall be deemed to be the holder of record of the Conversion Units, at the time the Conversion Notice and this Note are delivered to the Company (the "Conversion Date"), regardless of when the Conversion Units are actually issued. The amount of interest that will be converted in connection with any partial conversion of this Note will be equal to the accrued interest with respect to the principal amount being converted computed through the Conversion Date. Upon any conversion of this Note in whole or in part, the Company shall promptly issue and deliver to Holder, at no cost to Holder, one or more certificates registered in Holder's name evidencing the Conversion Units issued upon such conversion.

(3) Authorization of the Class A Units. The Company shall at all times keep authorized and reserved and available for issuance, free of preemptive rights, such number of Class A Units as are issuance upon conversion of the Notes at any time. If the Company determines at any time that it does not have a sufficient number of authorized Class A Units to reserve and keep available for issuance as described in this Section 3(c)(3), the Company shall use all commercially reasonable efforts to increase the number of authorized Class A Units by seeking member approval for the authorization of such additional units. The Company shall take any and all actions to ensure that the Conversion Units, when issued in accordance with the terms hereof, will be validly issued, fully paid and non-assessable and free from all taxes, liens and charges with respect to the issue thereof.

(4) Event of Default. As used in this Note, "Event of Default" shall mean: (i) the Company fails to make any payment under this Note when due; (ii) a receiver, trustee, custodian or similar officer is appointed for the Company, or for any substantial part of its property and such appointment or proceedings remain unstayed or undismissed for a period of 90 days; (iii) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings under the laws of any jurisdiction is instituted (by petition, application or otherwise) against the Company and such appointment or proceedings remain unstayed or undismissed for a period of 90 days; (iv) the Company breaches any of its material obligations under the Notes or any other financial documents and does not cure such breach within 30 days' after receiving written notice of such breach; or

(v) the Company institutes (by petition, application or otherwise) or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings under the laws of any jurisdiction against the Company.

(d) Cancellation of Note. Immediately upon conversion of this Note, if any, into Conversion Units as provided for in the Agreement, this Note shall no longer be deemed to be outstanding and all rights with respect to this Note shall immediately cease and terminate as of the Conversion Date.

4. Requirements for Transfer. This Note and the Conversion Units into which the outstanding principal amount of this Note and accrued and unpaid interest thereon may be converted shall not be sold or transferred unless either (i) they first shall have been registered under the Securities Act of 1933, as amended (the “Act”), or (ii) the Company first shall have been furnished with an opinion of legal counsel, reasonably satisfactory to the Company, to the effect that such sale or transfer is exempt from the registration requirements of the Act. Each certificate representing the shares of capital stock into which the outstanding principal amount of this Note may be converted shall bear a legend substantially in the following form:

“THE SECURITIES REPRESENTED BY AND UNDERLYING THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR REGISTERED OR QUALIFIED UNDER ANY APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, TRANSFERRED OR OTHERWISE CONVEYED EXCEPT IN COMPLIANCE WITH THE ACT AND ALL APPLICABLE STATE SECURITIES LAWS.

THE SALE, PLEDGE, HYPOTHECATION, TRANSFER OR OTHER CONVEYANCE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AND RESTRICTED BY THE TERMS AND CONDITIONS OF A LIMITED LIABILITY COMPANY AGREEMENT BY AND AMONG THE COMPANY AND THE HOLDERS OF SUCH SECURITIES. A COPY OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY.”

The foregoing legend shall be removed from the certificates representing any such shares, at the request of the Holder thereof, at such time as they become eligible for resale pursuant to Rule 144(k) under the Act.

5. Payment of Principal. All payments due and payable from the Company to Holder under this Note shall be made in lawful currency of the United States of America. The principal indebtedness represented by this Note may not be prepaid by the Company at any time in whole or in part prior to the Maturity Date, without the prior written consent of Holder. In no event shall any prepayment of principal be made with respect to any other Note unless and until the Company shall have offered to prepay a like proportion of this Note.

6. Replacement. Whenever this Note shall be surrendered at the principal executive office of the Company for transfer or exchange, accompanied by a written instrument of transfer in form

reasonably satisfactory to the Company duly executed by the Holder hereof or his or its attorney duly authorized in writing, the Company shall execute and deliver in exchange therefor a new Note or Notes, as may be requested by such Holder, in the same aggregate unpaid principal amount and payable on the same date as the principal amount of the Note or Notes so surrendered; each such new Note shall be in such principal amount and registered in such name or names as such Holder may designate in writing. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Note and of indemnity reasonably satisfactory to it, and upon reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender and cancellation of this Note (in case of mutilation) the Company will make and deliver in lieu of this Note a new Note of like tenor and unpaid principal amount.

7. General.

(a) Successors and Assigns. This Note, and the obligations and rights of the Company hereunder, shall be binding upon and inure to the benefit of the Company, the Holder of this Note, and their respective heirs, successors and assigns.

(b) Notices. All notices, requests, consents and demands shall be made in writing according to the terms of the Agreement.

(c) Governing Law. This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of California, without regard to its principles of choice of law.

(d) No Waiver. No delay or omission on the part of the Holder in exercising any right under this Note shall operate as a waiver of such right or of any other right of such Holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion.

(e) Costs of Collection. The Company agrees to pay on demand all costs of collection, including reasonable attorney's fees, incurred by the Holder in enforcing the obligations of the Company under this Note.

(f) Confidentiality. By his or its acceptance hereof, the Holder of this Note agrees that he or it will keep confidential and will not disclose, divulge or use for any unauthorized purpose any confidential, proprietary or secret information which such Holder may obtain from the Company (i) pursuant to financial statements, reports and other materials submitted by the Company to such Holder or (ii) pursuant to visitation or inspection rights granted to such Holder, unless such information is known, or until such information becomes known, to the public.

(g) Amendments. This Note and any term hereof may be changed, waived, discharged or terminated with the written consent of the Company and the holder of Notes representing at least a majority of the aggregate principal balance under all the Notes then outstanding.

(g) No Rights as Member. The Class A Units described herein shall not be deemed issued to, or owned by, Holder and Holder shall not be deemed to be admitted as a member of the Company until the conversion of this Note as provided herein.

(h) Headings. The headings in this Note are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Note.

IN WITNESS WHEREOF, this Note has been executed and delivered as a sealed instrument on the date first above written by the undersigned authorized representative of the Company.

**INTELLIVISION HOLDINGS LLC**  
a California limited liability company

By: \_\_\_\_\_  
Name: Tommy Tallarico  
Title: CEO

## ANNEX 1

### FORM OF CONVERSION NOTICE

Reference is made to that certain Convertible Subordinated Promissory Note (the “Note”) issued by Intellivision Holdings, LLC, a California limited liability company (the “Company”), pursuant to that certain Subscription Agreement dated as of December 11<sup>th</sup>, 2019 between the undersigned and the Company. Defined terms used below have the meaning given to them in the Note.

The undersigned hereby elects to convert \$ \_\_\_\_\_ in principal amount of the Note being tendered herewith, together with all accrued but unpaid interest thereof through the Conversion Date, to acquire such number of Conversion Units as are issuable upon such conversion as provided under the terms of the Note.

Please issue the Conversion Units in the name of the undersigned and, if applicable, please issue a new Note (also registered to the undersigned) representing any principal amount of the Notes tendered herewith that is not being converted into Conversion Units.

If an individual:

\_\_\_\_\_

Name: \_\_\_\_\_

If an entity:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Address to which Conversion Units should be delivered:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## ANNEX 2

### JOINDER TO OPERATING AGREEMENT

Reference is made to that certain Convertible Subordinated Promissory Note (the “Note”) issued by Intellivision Holdings, LLC, a California limited liability company (the “Company”), pursuant to that certain Subscription Agreement dated as of December 11<sup>th</sup>, 2019 between the undersigned and the Company. Defined terms used below have the meaning given to them in the Note.

This Joinder to Operating Agreement (this “Joinder”) is made and entered into, as of the date last set forth hereinbelow, by \_\_\_\_\_, as the acquirer of certain Class A Units (as defined in the Amended and Restated Limited Liability Company Agreement of Intellivision Holdings, LLC (the “Company”) entered into as of December 31, 2018, by and among the Company and its members, as amended (the “Operating Agreement”)), pursuant to that certain Convertible Subordinated Promissory Note issued by the Company in favor of the undersigned dated December 11<sup>th</sup>, 2019.

By execution and delivery hereof, the undersigned hereby (i) acknowledges that the undersigned has been provided a copy of, and has read and understood, the Operating Agreement, and (ii) agrees to join in, become a party to, and be fully bound by all of the terms, conditions and obligations of the Operating Agreement. This Joinder shall be attached to and become a part of the Operating Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

If an individual:

\_\_\_\_\_

Name: \_\_\_\_\_

If an entity:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

\_\_\_\_\_  
Tax Identification or Social Security Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Fax Number